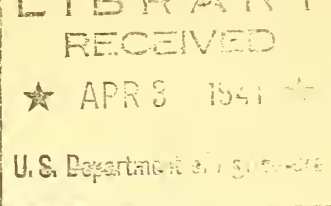


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CASA GRANDE VALLEY FARMS



Casa Grande Valley Farms is a mechanized, large-scale, cooperative farm in Pinal County, south-central Arizona. It is 4 miles southwest of the town of Florence and about 65 miles southeast of Phoenix. The project was established by the Farm Security Administration of the U. S. Department of Agriculture in its efforts to help migrant farm families get a new foothold on the land. Most of the farm families now living there were recruited from the increasingly large group of displaced farm operators. Here, on 4,327 acres of land stretching southward from the Gila River, they are being given an opportunity to carry on large-scale farming operations on a cooperative basis. Four decades of history of the Gila River Valley throw some light upon the reasons why this type of operation has been undertaken.

During the first ten or fifteen years of the present century, most of the land in this area had passed from public to private ownership-- first by distribution in small tracts to settlers under the Homestead and Desert Land Acts, and after 1908 by the sale of state lands. Shortly after titles passed to private hands, however, the process of concentration into larger and larger farming tracts began. It has continued ever since, as the result of various economic pressures. By 1936, when the Resettlement Administration optioned land for the Casa Grande project, it had to deal with only nine owners.

Of these nine owners only one, a widow, lived on her property. Two lived in the county but not on the land optioned. Four others lived in Arizona, but not in the county where their lands were located. The two remaining owners lived in California. Thus, in a single generation, eight out of nine owners of the acreage had become non-resident. None worked the land they owned.

One owner lived in town but managed and operated his farm with hired labor. The other eight tracts were farmed by tenants. One tenant operated 800 acres, as well as other farms elsewhere. He lived in Tucson, 65 miles from his Casa Grande lease. Another non-resident operated three farms in the area, totaling 800 acres, in connection with ten other farms nearby. These two large renters together farmed 44 percent of the tillable area, with labor directed by hired managers or foremen. Cotton chopping and picking were done by migrant labor.

Besides these two large tenant enterprises, another 740-acre tract was rented to several tenants, who grew cotton on 698 acres. Four more farms, from 120 to 210 acres in size, completing the total acreage optioned, were operated by tenants, some of whom lived in town. Leases generally were for one or two years, which allowed for no permanent soil-building programs and gave the families who worked the land no security of tenure.

Four out of the nine farms purchased were heavily mortgaged.

That was the general economic picture. Social conditions among the migrant-laborer families who worked the farms were of the worst. Housing

was wretched, workers living under conditions of almost unimaginable squalor. Eight families lived in one dilapidated shed, divided by wire netting partitions into compartments, 18 by 24 feet, with dirt floors. Cardboard and newspapers pinned on the netting provided only a semblance of privacy. Other families lived in shacks made of old flattened tin cans, cardboard, old box wood, discarded iron sheeting or whatever other makeshift materials they could gather. One well and one privy were the only sanitary facilities for one roadside camp where 100 people lived during the peak of the harvest season.

There were no buildings whatever on five of the farms. The sharecroppers and workers lived either in town or, during the work seasons, in temporary camps. There was one 7-room house on one tract. Fifty years before it had been one of the best homes in Arizona, but it had become dilapidated through neglect. A hired foreman for one of the larger farms used it for a dwelling. None of the houses had electric lights or telephones. One had running water, bathtub and toilet.

In the light of the record and conditions then existing, it seemed apparent that fundamental changes had taken place in the character of farm operations and in the pattern of living in this particular region. Therefore, in establishing the new project, it seemed desirable to consider methods of farm tenure and operation which would fit into this prevailing pattern. The family-type farm had been shown to be at a disadvantage in comparison with the large-scale agricultural operations in this area. Similar changes were taking place in parts of Oklahoma and Texas. Families were being forced to migrate as a result of consolidation in farm holdings. Machinery and hired labor were replacing the sharecropper, tenant and small owner in working the land. It seemed unwise under the circumstances to go contrary to the obvious trends and try to re-establish the displaced families on small family-type farms similar to those from which they had been pushed off in their former locations.

In order to meet these special conditions, the Casa Grande project was planned as a large-scale group operation. Besides local considerations that influenced the form of operation adopted, there was also a long history of American agricultural experience, particularly on the processing and marketing side of the farming industry. Cooperative organizations and techniques long had been tested and proved in dairymen's associations in many parts of the country; in the building and operation of warehouses and elevators by grain farmers, and sheds and gins by cotton growers; in providing plants and facilities for processing and handling poultry products; and in the packing, canning, storing and marketing of a wide variety of fruits and vegetables. So there was nothing basically new in the Casa Grande plan. It merely expanded the cooperative idea, which had proved workable and profitable in the marketing end of the farming business, to take in the whole business from planting to sale of the crops.

Project Development

Land for the project was purchased by the Government in 1936. Work was begun on clearing and leveling land and building the 60 individual homes which were to house the project residents. The buildings were completed by fall of the following year, and the first family moved in on November 1, 1937.

The houses border the main road through the project. Each is placed on a large lot, and is of adobe-brick construction with outside surface of stucco. The material and architectural design conform to the climatic requirements of the Southwest. Roofs have a bright reflecting surface, plus rock-wool insulation, for summer cooling. The homes have from one to three bedrooms and a screened porch which often is used for a bedroom in summer. They are equipped with modern plumbing and electric installations. A community water system was installed, consisting of a deep well, two pumps, a pressure tower, a storage tank, and distribution lines. Individual septic tanks dispose of sewage. Gas and electricity are furnished by private utilities. Each home is furnished with an electric washing machine, refrigerator, gas range, and essential household furniture. Each has a combination garage and storeroom.

The size of the home governs its rental, which may be \$10, \$12, or \$14 per month. Utilities are connected to the houses from master meters, at commercial rates. The average monthly utility bills per family range from \$4 to \$8. Most of the families have a private vegetable garden on their lot which supplements the produce available from the community garden.

Also constructed at Casa Grande was a modern community building with an auditorium, a fully-equipped kitchen, and sewing rooms. Farm buildings erected on the project included a hay barn, warehouse and implement shed, granary, corral, dairy barn, silo, mule shed, poultry house, and hog pen.

The cost of the units, including labor, material, equipment, and general construction expense, was as follows:

3-room homes	\$2,015.70 each
4-room homes	2,712.62 each
5-room homes	3,111.53 each

The cost of the entire project, up to June 30, 1940 is as follows:

Family units, or residential cost	\$254,795
Community facilities and land	526,297
Total operating cost	<u>73,975</u>
	\$855,067

The Homesteaders

Occupants for the project were selected from a group of low-income farm families who had been receiving small loans and supervision from the Farm Security Administration. Many of them formerly had been farm owners and operators, who had become migrants only recently. But at the time of their selection for residence on the project most of the family heads were working as farm laborers on privately-owned farms in nearby areas. All are of native white American stock.

Only one settler was a native of Arizona. Of the other families, all but one had lived in Arizona for at least two years, and 22 had lived in the state for from three to five years, with some inter-state migration at times in search of employment. Eighteen family heads were natives of Oklahoma, 12 were from Texas, 11 from Arkansas, 2 from Kansas, 3 from Illinois, 2 from North Dakota, 2 from Alabama, and 1 from New Mexico. Seven were under 30 years of age, 8 others under 40, and only 2 over 50. Thirty of the settlers had finished grammar school, 17 had attended high school, 12 had not gone beyond the fifth grade, and 2 had had no schooling.

The Plan of Operation

To operate the project, the new residents formed a cooperative association in June, 1937. A loan of \$173,288 was obtained from the Farm Security Administration and the association began operations on March 1, 1938. Membership consists of one representative from each resident family. The association elects its board of directors from among its own membership. It also appoints a co-op manager as well as a crop foreman, mechanic, dairy foreman, poultryman, irrigation foreman, gardener, and hog foreman. A community manager is hired by the Government to represent its interests in the project.

Under its charter the association is empowered to engage in cooperative enterprises relating to the growing, processing, and selling of agricultural products. The association rents the land and buildings from the Government, paying rental equivalent to the current market price of 25 percent of all crops produced on the tillable part of the property, with an annual cash rental of \$6.93 per acre for alfalfa and pasture land. A minimum yearly rental of \$8,324.53 is set to cover taxes, insurance and maintenance of the property. Should the rental based on one-quarter of a cash crop exceed the \$8,324.53 minimum, plus 3 percent on the appraised value of the property, the excess is set aside in a reserve fund to cover deficits of bad years. The association's rental payments cover the basic home rent as well as farm land and buildings.

The present lease between the association and the Government is for five years, with the privilege of perpetual succession as provided by statute. The Government retains title to the land and rents it to the association on a long-term flexible basis. Under this arrangement the cooperative is able to adjust its annual payments according to crop conditions, and is not saddled with a rigid land debt. Bitter experience

with the homesteading of free lands in the West, and later with attempts to develop both public and private land settlement projects, has demonstrated clearly that a principal cause for the settlers' failures was the rigid debt burden and fixed payment schedule which could not be adjusted to the ups-and-downs of agricultural prices and farm incomes.

In much of the homesteading experience, even with free land to start upon, it more often than not took two, three, and even four waves of settlement, each failure contributing a subsidy in lost equities, to place the farm in a position to carry the costs on a self-sustaining basis. Private colonization schemes went through the same experience. The Casa Grande plan seeks to profit by these lessons of experience, making productive use the basis on which the land carries the costs of its development and operation. The purpose to be served, of course, is to provide the greatest achievable amount of economic security, with as many safeguards as possible against all the normal risks of agriculture.

The cooperative association has purchased trucks, tractors, combines, graders, and other equipment. It has also bought cows, hens, hogs, ewes, and steers. It maintains a 15-acre community garden, in which row crops such as beets, carrots and cabbage are grown and distributed free to member families. It carries on the farming, dairying, poultry and other operations of the project, with the assistance of the project manager.

Heads of the Casa Grande families normally work full time on the project, although arrangements may occasionally be made in slack seasons for individuals to work on privately-owned farms nearby. The men receive a basic wage of \$50 a month, and a few dollars more when they hold supervisory positions. These wages are paid over and above house rentals, which are deducted by the association from the labor bonus at end of year, and they approximate the prevailing wages for this class of labor paid elsewhere in Arizona.

Casa Grande Valley Farms is fully mechanized, with heavy Diesel and light gasoline-powered tractors, a combine, feed chopper, modern rubber-tired hay wagons, etc. There is a repair and welding shop where the men take care of every piece of equipment used on the farm.

The principal farm crops are wheat, alfalfa, grain sorghums, barley, and cotton. Irrigation water is supplied by the Coolidge Dam, which was completed across the Gila River in 1928. Irrigation wells supply supplemental water.

Results of Cooperative Farming

At the end of the cooperative association's first crop season in 1938, interest was paid on the Government's loan, and a rental of \$16,740 was paid for land and homes. This figure was \$7,700 in excess of the minimum rent required. Production of farm and dairy products had returned the Casa Grande Association nearly \$70,000.

In spite of a water shortage which afflicted the entire Gila Valley region in 1939 and curtailed development of project land resources by at least 50 percent, the association's gross income was \$88,623. A net profit was realized of \$1,513. Rent paid by the association for 1939 was \$13,634.

Large savings have been effected through pooling the buying and selling power of the homesteaders. This is seen especially in the live-stock enterprise. During 1940, 679 head of hogs were sold in the Los Angeles market, approximately a carload being shipped at a time. These hogs have consistently topped the market by 10 cents to 15 cents per hundredweight. If the farmers had been operating individual units and producing in small quantities, they could not have shipped in carload lots. Unable to meet the higher freight costs for small shipments, they would have sold to a neighborhood buyer, and so would have been unable to obtain the higher prices of a terminal market.

While there are 775 head of beef cattle on the farm, most of these are mature animals being carried over a long feeding period on pasture. Approximately two carloads of cattle were marketed during the year and topped the market for their grades. After deducting all expenses, a gain of 70 cents per hundred pounds was realized over prices current at local packing houses, again showing the advantage of being able to ship cooperatively to a terminal market.

The association sold 400 bales of cotton in one lot during the fall of 1939, at \$10.60 per hundred pounds. This is much above the average received by small operators at the time when this cotton was sold. About one-half cent more per pound was realized because of the quality of the cotton and the size of the lot. Any one of the members of the cooperative, if he had sold his eight or ten bales of cotton individually in the open market would have been greatly handicapped and probably penalized at least a cent or more.

Eggs are sold at prevailing prices, both to members of the association and residents of the neighboring communities. Surpluses are wholesaled outside the project at current rates, and cull hens are sold to cooperative members for meat.

Dairying has been one of the association's most profitable ventures. It operates a Grade A dairy, the herd consisting of approximately 135 milking cows with about 90 head of young dairy cattle. The size of the herd and the volume produced makes it possible to provide the refrigerating equipment necessary for marketing high class produce under the desert weather conditions that prevail during most of the year. These facilities make it possible to obtain a market for Grade A milk at Tucson, 65 miles distant, where all milk except that used on the project is now marketed. Practically all of the milk during the past year has been sold as Grade A, realizing from 15 cents to 20 cents more per pound butterfat than would have been paid for manufacturing milk. It is very difficult for any individual farmer operating a small

farm to meet the requirements of production and competition that govern the selling of Grade A milk in this region.

The buying power of these families is materially increased through the cooperative association. All machinery was purchased at 15 percent discount through local dealers. The feed concentrates necessary to balance the farm-produced rations are purchased at carlot prices. There is a saving of at least 50 cents per hundred pounds on mixed poultry feeds because of the volume bought.

In the physical operation of the property, men can be selected according to their ability to do certain types of work and their time and efforts used in the most efficient way. Another saving is very apparent when it is noted that the farm operates with only twenty head of mules and horses, including three saddle horses used in handling the beef cattle. If the acreage was farmed as individual units, the number of animals and machines would be much greater, increasing capital investment as well as operating costs.

During the serious droughts of the past two years, it has been necessary to make the maximum use of irrigation water. Ability to shift the water from one part of the farm to the other has made it possible to get much more effective use of irrigation water than would have been possible if all the families operated separate small farms. It is conservatively estimated that the increase in production brought about by this type of use of water is approximately one-third.

Another value of this type of farming is the education and training the farmers and their families get by working in a diversified and completely organized cooperative farm enterprise. Farmers experienced only in one-crop farming gain experience in diversified and livestock farming. It is also a good training institution for young people, since they are able to gain experience in the handling of machinery and livestock in a much more effective manner than would be possible on small individually operated farms.

The center of social and business activities for the entire membership of Casa Grande Valley Farms is the community house. Here are held the quarterly meetings of the association with its board of directors and Farm Security Administration state officers, at which business affairs are discussed and plans made for operations during the coming quarter. There is also a meeting of the board of directors at least once a month. The community house also is used for Sunday School and church services, and a variety of educational and social meetings, demonstrations and classes.

There is a nursery school on the project for young children, with teachers provided by NYA and WPA. Older children attend school at Coolidge. School buses pick them up and return them each day.

Instruction in home economics is carried on by the Extension Service and FSA home management division. One result of this instruction

has been a great increase in home canning of vegetables from the community and individual gardens. Cooperating with Farm Security and Extension Service in educational activities are the Work Projects Administration, National Youth Administration, and several local church and civic organizations.

A 4-H Club organized for older boys and girls provides practical instruction in agriculture and homemaking. A very popular youth organization is the Community Builders Club, which sponsors parties, dances, and get-togethers such as concerts, community sings, and dramatic renditions. The club is not merely recreational, however. It functions as a service organization in cooperation with outside religious and civic groups to help the project homemakers with their work and, in general, to lend a hand wherever it is needed.

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